



Concenture
Week Ahead
 Robert Gilliland
 Managing Director

 **Week of December 9, 2024**

Shoppers Are In The Holiday Spirit With Strong Spending

Reports indicate that Black Friday sales were around \$10 billion, driven by online sales which rose about 10% year-over-year; in-store traffic declined compared to last year.

Adobe has reported that Cyber Monday spending exceeded \$13 billion. Holiday sales so far are above the spending levels from last year. This should not come as a surprise as the labor market remains strong. Last week's November employment data indicated jobs growth is still strong. Strong jobs are leading to strong consumer spending leading to the U.S. economy estimated growth rate just above 3% for 4Q24.

GDPNow Model Is Estimating 4Q24 GDP Growth Just Above 3%



Source: Federal Reserve Bank of Atlanta, December 6, 2024

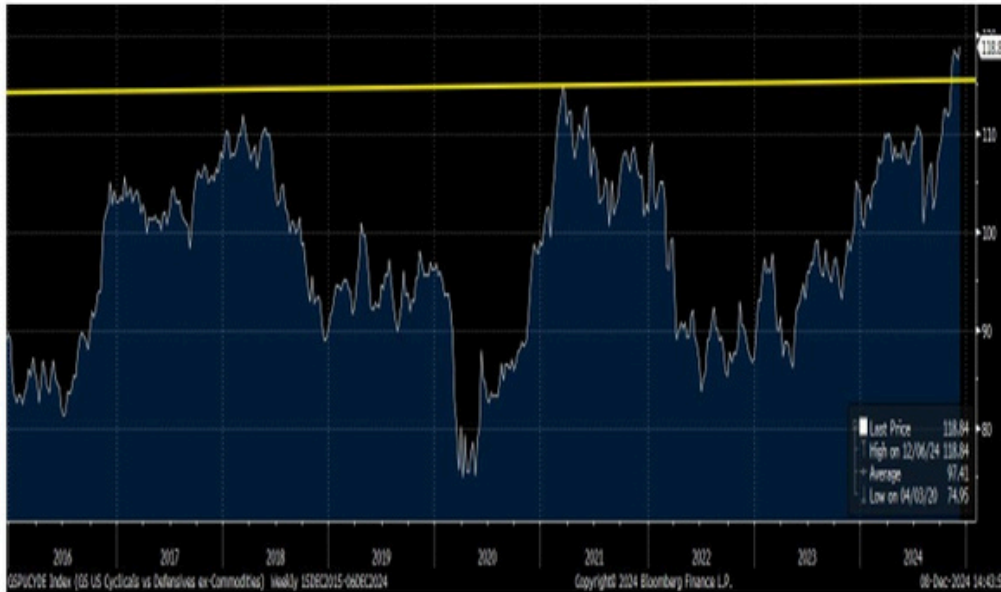


 **December 9, 2024**

Cyclicals Are Performing Well In A Stronger Economy

With a strong economy the cyclicals side of the equity market is performing strongly with a multi-year breakout versus defensive sectors. This breakout gives us high confidence that the equity market remains in a strong bull tape.

Cyclicals Versus Defensive Have A Multi-Year Breakout!



The True Definition Of The Santa Claus Rally

A Santa Claus rally is a calendar effect that involves a rise in stock prices during the last 5 trading days in December and the first 2 trading days in the following January. According to the 2019 Stock Trader's Almanac, the stock market has risen 1.3% on average during these 7 trading days. This has worked historically 76% of the time. The Santa Claus rally was first recorded by Yale Hirsch in his Stock Trader's Almanac in 1972. So, we expect more upside this month for the S&P 500. Our outlook for 2025 is for the equity market to continue its bull charge and reach a range of 7200-7400. Now the bulls may buck from time to time but we believe the trend will remain up.

Software Takes The Lead

In our Year Ahead Outlook for 2025 we highlighted that we believe the Technology leadership was shifting from Semiconductors to Software. The iShares Tech Software ETF (IGV) has made a multi-year breakout confirming its strong leadership.

iShares Tech Software ETF (IGV) With Multi-Year Breakout A Leadership Sector Entering 2025





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Salesforce (CRM) A Leader In Software With A Multi-Year Breakout



Palantir Technologies (PLTR) A Software Leader With Multi-Year Breakout





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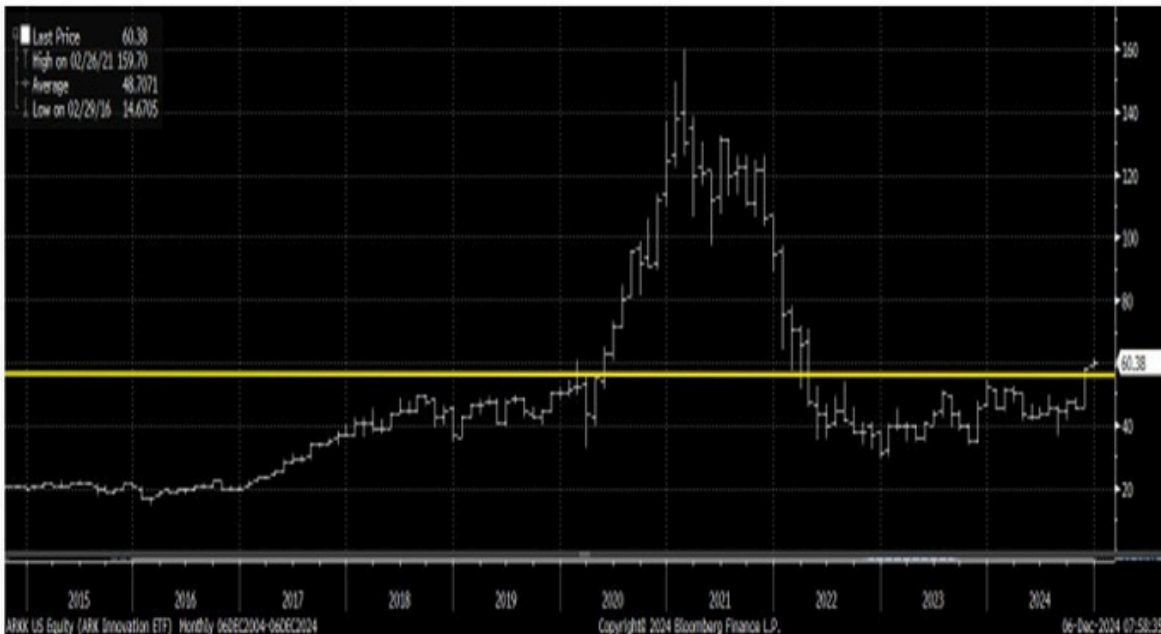
What's Old Is New: Tesla & ARK Innovation ETFs On The Move Again

Two stocks that have corrected sharply and have not performed are back. Tesla (TSLA) and ARK Innovation ETF (ARKK). This tells us this is still a risk-on market, and these stocks represent Artificial Intelligence investments in play.

Tesla (TSLA) Is Back



ARK Innovation ETF (ARKK) Is Back!





 **December 9, 2024**

The Money Mountain Continues To Grow

This is plenty of cash on the sidelines with the ICI Money Market Funds growing to nearly \$7 Trillion. Remember equity markets don't peak until all investors are in and the market is leveraged. We have a very long runway left for stocks to climb with all this cash.

ICI Money Market Funds Grows To Nearly \$7 Trillion



Bitcoin Gets A Bump When Fed Chair Powell Says BTC Like Gold

Last week the Federal Reserve (Fed) Chair Jerome Powell compared Bitcoin (BTC) as being similar to Gold and the market went wild attempting to clear the \$100,000 level. Big round levels typically take a few attempts to clear. If BTC technically clears \$100,000, the next technical objective is \$113,000. If this level is reached, the next technical move is \$150,000. Historically, BTC outperforms for three years in a row and then goes into what is known as the crypto winter – a bear correction which historically is extremely deep nearing 80%. BTC has outperformed for two years and 2025 looks to be shaping up another bull move.

Bitcoin With Multi-Year Breakout Attempting A Break Above \$100,000



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 December 9, 2024

Market Performance

	Last 12/6/2024	Month End 11/29/2024	Month to Date	Quarter End 9/30/2024	Quarter to Date	Year End 12/29/2023	Year to Date	Year Ago 12/7/2023	Year To Year
S&P 500	6090.27	6032.38	1.0%	5762.48	5.7%	4769.83	27.7%	4585.59	32.8%
NASDAQ Composite	19859.77	19218.17	3.3%	18189.17	9.2%	15011.35	32.3%	14339.99	38.5%
NASDAQ 100	526.48	509.74	3.3%	488.07	7.9%	409.52	28.6%	390.43	34.8%
Russell 2000	2409.00	2434.73	-1.1%	2229.97	8.0%	2027.07	18.8%	1868.25	28.9%
S&P Consumer Discretionary Sector	1894.19	1789.44	5.9%	1605.41	18.0%	1418.09	33.6%	1363.54	38.9%
S&P Consumer Staples Sector	893.89	900.88	-0.8%	887.78	0.7%	762.32	17.3%	742.59	20.4%
S&P Energy Sector	691.13	724.06	-4.5%	676.47	2.2%	640.05	8.0%	616.35	12.1%
S&P Financial Sector	836.85	851.98	-1.8%	754.16	11.0%	626.35	33.6%	595.82	40.5%
S&P Health Care Sector	1678.63	1713.71	-2.0%	1796.48	-6.6%	1590.36	5.6%	1532.92	9.5%
S&P Industrials Sector	1185.91	1214.04	-2.3%	1147.06	3.4%	964.73	22.9%	915.94	29.5%
S&P Information Technology Sector	4711.26	4558.68	3.3%	4403.72	7.0%	3397.16	38.7%	3273.20	43.9%
S&P Materials Sector	576.55	594.62	-3.0%	607.70	-5.1%	539.62	6.8%	512.15	12.6%
S&P Real Estate Sector	274.21	281.69	-2.7%	280.46	-2.2%	251.58	9.0%	237.53	15.4%
S&P Communications Sector	343.71	330.15	4.1%	314.60	9.3%	246.00	39.7%	237.87	44.5%
S&P Utilities Sector	402.66	418.72	-3.8%	410.28	-1.9%	321.92	25.1%	320.25	25.7%
S&P 500 Total Return	13358.50	13227.13	1.0%	12608.07	6.0%	10327.83	29.3%	9920.64	34.7%
3 month Treasury Bill Price	98.90	98.88	0.0%	98.85	0.1%	98.66	0.2%	98.65	0.3%
3 month Treasury Bill Total Return	256.21	255.95	0.1%	253.94	0.9%	243.98	5.0%	243.10	5.4%
10 Year Treasury Bond Future	111.45	111.19	0.2%	114.28	-2.5%	112.89	-1.3%	111.16	0.3%
10 Year Treasury Note Total Return	300.35	299.38	0.3%	305.92	-1.8%	294.12	2.1%	288.67	4.0%
iShares 20+ Year Treasury Bond ETF	94.39	93.97	0.4%	98.10	-3.8%	98.88	-4.5%	95.32	-1.0%
S&P Municipal Bond Total Return	282.50	281.36	0.4%	280.82	0.6%	272.94	3.5%	268.61	5.2%
iShares S&P National Municipal Bond NAV	108.31	108.15	0.2%	108.52	-0.2%	108.42	-0.1%	107.12	1.1%
S&P 500 Investment Grade Corporate Bond Total Return	476.02	473.45	0.5%	478.79	-0.6%	455.89	4.4%	444.32	7.1%
S&P Investment Grade Corporate Bond	92.43	92.03	0.4%	93.58	-1.2%	91.76	0.7%	89.78	3.0%
S&P Investment Grade Corporate Bond Total Return	506.16	503.62	0.5%	508.34	-0.4%	482.66	4.9%	470.94	7.5%
SPDR Bloomberg High Yield Bond ETF	97.11	97.36	-0.3%	97.79	-0.7%	94.73	2.5%	92.96	4.5%
iShares iBoxx High Yield Corporate Bond ETF	79.90	80.04	-0.2%	80.30	-0.5%	77.39	3.2%	76.01	5.1%
Gold	2633.37	2643.15	-0.4%	2634.58	0.0%	2062.98	27.6%	2028.47	29.8%
Bitcoin	100566.11	97460.39	3.2%	63785.09	57.7%	41935.34	139.8%	43390.95	131.8%

Source: Bloomberg, Sanctuary Wealth, December 7, 2024

Will It Be Grinch Or Santa For Inflation?

This week we get more inflation data from the Consumer Price Index (CPI) and the Producer Price Index (PCE). The markets are trying to gage if the Fed will cut interest rates one last time this year on December 18th at the FOMC Fed meeting. The market is so far expecting an additional 25 basis point cut at this meeting after already lowering rates by 75 basis points. This would reduce the level of restriction by 100 basis points within the year since September. This we believe would be bullish for the equity market in 2025.



Calendar

- Mon.** 10:00 am Wholesale inventories
Earnings: Toll Brothers, Oracle*
- Tue.** 6:00 am NFIB optimism index
8:30 am U.S. productivity (revision)
Earnings: Ollie's Bargain Outlet, Dave & Buster's
- Wed.** 8:30 am Consumer price index, Core CPI
2:00 pm Monthly U.S. federal budget
Earnings: Adobe
- Thu.** 8:30 am Initial jobless claims, Core PPI
Earnings: Broadcom, Costco Wholesale
- Fri.** 8:30 am Import price index

*Earnings reflect highlights
Source: CNBC, Kiplinger's, MarketWatch

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